

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**

B

W-02510A  
Boynton Canyon Enchantment Homeowners  
Association  
525 Boynton Canyon Road  
Sedona AZ 863360000

**RECEIVED**

APR 04 2005

AZ Corporation Commission  
Director Of Utilities

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2004
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FOR COMMISSION USE

ANN04	04
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## COMPANY INFORMATION

Company Name (Business Name) BOYNTON CANYON ENCHANTMENT HOMEOWNERS ASSOCIATION WATER UTILITY COMPANY

Mailing Address 525 BOYNTON CANYON ROAD  
(Street)

SEDONA  
(City)

AZ  
(State)

86336  
(Zip)

(928) 204-6264  
Telephone No. (Include Area Code)

(928) 204-2936  
Fax No. (Include Area Code)

N/A  
Pager/Cell No. (Include Area Code)

Email Address SKnight@enchantmentresort.com

Local Office Mailing Address same  
(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address \_\_\_\_\_

## MANAGEMENT INFORMATION

Management Contact: SUSANNE KNIGHT  
(Name)

HOA MANAGER  
(Title)

525 BOYNTON CANYON ROAD  
(Street)

SEDONA  
(City)

AZ  
(State)

86336  
(Zip)

928-204-6264  
Telephone No. (Include Area Code)

928-204-2936  
Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address SKnight@enchantmentresort.com

On Site Manager: Jerry Bruce  
(Name)

525 BOYNTON CANYON ROAD  
(Street)

SEDONA  
(City)

AZ  
(State)

86336  
(Zip)

(928) 204-6030  
Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address JBruce@enchantmentresort.com

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: GEORGE LIDICKER

(Name)

525 BOYNTON CANYON ROAD SEDONA

(Street)

(City)

AZ

(State)

86336

(Zip)

928-204-6260

Telephone No. (Include Area Code)

928-204-2936

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: \_\_\_\_\_

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☒ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) \_\_\_\_\_

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☒ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME **BCE HOA WATER UTILITY CO.**

**UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	96,969.49	33,215.03	68,938.66
311	Pumping Equipment	64,884.29	32,821.66	26,878.43
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	114,173.99	64,221.89	49,951.11
333	Services			
334	Meters and Meter Installations			
335	Hydrants	4,844.04	538.24	4,305.80
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>280,870.82</b>	<b>130,796.82</b>	<b>150,074.00</b>

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME BCEHOA WATER UTILITY CO.

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	\$6,801.66 \$90,167.83	0% 0.67448%	\$2,411.52
311	Pumping Equipment	\$64,884.29	3.77281%	\$2,447.64
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	\$114,173.00	8.33334%	\$9,514.42
333	Services			
334	Meters and Meter Installations			
335	Hydrants	\$4,844.04	6.6667%	\$322.94
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>\$280,870.82</b>		<b>\$14,696.52</b>

This amount goes on the Comparative Statement of Income and Expense \_\_\_\_\_  
Acct. No. 403.

Water Company  
Depreciation Schedule

Date Acq.	SL	Cost	Acct. Total	AccDepr	Deprec	AccDepr	Deprec	AccDepr
1991 Wells & Springs	7 yr	\$6,801.66	\$6,801.66	\$6,801.66	\$0.00	\$6,801.66	\$0.00	\$6,801.66
* Adjust 1991 Deprec. Per Auditors								
1991 Meters	7 yr	\$675.12	\$819.22	\$0.00				
Scrapped 2002	7 yr	\$144.10	\$819.22	\$0.00				
		\$819.22	\$819.22					
1993 Pump Equipment Scrapped 2002	7 yr	\$6,181.00	\$6,181.00	\$0.00				
1994 Pump Equipment	7 yr	\$6,181.00	\$6,181.00	\$17,585.73	\$0.00	\$17,585.73	\$0.00	\$17,585.73
1994 Well #3	31.5 yr	\$72,362.51	\$72,362.51	\$20,674.89	\$2,297.16	\$22,972.05	\$2,297.16	\$25,269.21
1995 Well #3	31.5 yr	\$191.43	\$2,297.16					
		\$3,605.88	\$3,605.88	\$915.44	\$114.36	\$1,029.80	\$114.36	\$1,144.16
		\$9.53	\$114.36					
1996 Pump Equipment (#1)	7 yr	\$2,676.31	\$2,676.31	\$2,676.31	\$0.00	\$2,676.31	\$0.00	\$2,676.31
Jul-96 Pump Equipment (#1)	7 yr	\$3,741.86	\$3,741.86	\$3,474.80	\$267.06	\$3,741.86	\$0.00	\$3,741.86
		\$44.55	\$534.60					
Aug-97 Pump Equipment (#1)	7 yr	\$2,066.88	\$2,066.88	\$1,599.12	\$295.20	\$1,894.32	\$172.56	\$2,066.88
		\$24.60	\$295.20					
Apr-98 Water Piping Project	12 yr	\$114,173.00	\$114,173.00	\$45,193.05	\$9,514.42	\$54,707.47	\$9,514.42	\$64,221.89
		\$792.87	\$9,514.42					
May-98 Pump Equipment (#3)	7 yr	\$5,529.40	\$5,529.40	\$3,685.96	\$789.84	\$4,475.80	\$789.84	\$5,265.64
		\$65.82	\$789.84					
Aug-03 Fire Hydrants	15 yr	\$4,844.04	\$4,844.04	\$0.00	\$215.30	\$215.30	\$322.94	\$538.24
		\$322.94	\$322.94					
Aug-04 Well Equipment Upgrade (#2)	5 yr	\$5,842.83	\$5,842.83	\$0.00	\$0.00	\$0.00	\$389.52	\$389.52
		\$1,168.57	\$1,168.57					
		\$389.52						
Jul-04 Pump Equipment (#3)	10 yr	\$22,700.00	\$22,700.00	\$0.00	\$0.00	\$0.00	\$945.71	\$945.71
		\$2,270.00	\$2,270.00					
		\$945.83						
Jul-04 Pump Electrical Equipment (#3)	15 yr	\$5,400.00	\$5,400.00	\$0.00	\$0.00	\$0.00	\$150.00	\$150.00
		\$360.00	\$360.00					
		\$150.00						
Dec-04 Pump Equipment Upgrade (#2)	10 yr	\$5,184.20	\$5,184.20	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
		\$345.61	\$345.61					
Dec-04 Well Equipment Upgrade (#2)	5 yr	\$8,356.52	\$8,356.52	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
		\$557.10	\$557.10					
TOTALS		\$280,870.82	\$275,686.62	\$102,606.96	\$13,493.34	\$116,100.30	\$14,696.52	\$130,796.82
Fire Hydrants		\$4,844.04					\$322.94	
Wells & Springs		\$96,969.49					\$2,411.52	
Piping Project		\$114,173.00					\$9,514.42	
Pumping Equipment		\$64,884.29					\$2,447.64	
		\$280,870.82					\$14,696.52	
Acc. Depr. Fire Hydrants		\$538.24					\$538.24	
Acc. Depr. Wells & Springs		\$33,215.03					\$33,215.03	
Acc. Depr. Water Project		\$64,221.89					\$64,221.89	
Acc. Depr. Pumping Equipment		\$32,821.66					\$32,821.66	
		\$130,796.82					\$130,796.82	
Total Property & Equipment		\$150,074.00						

COMPANY NAME **BCE HOA WATER UTILITY CO.**

**BALANCE SHEET**

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 2,468.81	\$ 6,701.86
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	\$ 9,677.67	\$ 9,927.89
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	\$ 10,508.09	0
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 22,654.57	\$ 16,628.95
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 233,387.27	\$ 280,870.82
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	\$ 116,100.30	\$ 130,796.82
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 117,286.97	\$ 150,074.00
	<b>TOTAL ASSETS</b>	\$ 139,941.54	\$ 166,702.95

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME **BCE HOA WATER UTILITY CO.**

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITES</b>		
231	Accounts Payable	\$ 1,377.31	\$ 2,542.66
232	Notes Payable (Current Portion)	\$ 0,625.71	
234	Notes/Accounts Payable to Associated Companies	\$ 7,622.78	\$ 5,798.04
235	Customer Deposits		
236	Accrued Taxes	\$ 614.26	\$ 623.95
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 15,270.06	\$ 8,874.65
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$	\$ 140,332.28
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$	\$
	<b>TOTAL LIABILITIES</b>	\$ 15,270.06	\$ 149,206.93
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)	124,671.48	17,496.02
	<b>TOTAL CAPITAL</b>	\$ 124,671.48	\$ 17,496.02
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 139,941.54	\$ 166,702.95



COMPANY NAME BCE HOA WATER UTILITY CO.

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 134,415.68	\$ 134,101.64
460	Unmetered Water Revenue		
474	Other Water Revenues	73.45	1,447.58
	<b>TOTAL REVENUES</b>	\$ 134,491.13	\$ 135,549.22
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 19,587.33	\$ 22,850.13
610	Purchased Water		
615	Purchased Power	\$ 654.52	\$ 1,090.85
618	Chemicals		
620	Repairs and Maintenance	\$ 77,670.34	\$ 246,006.05
621	Office Supplies and Expense	\$ 3,998.69	\$ 4,528.76
630	Outside Services	\$ 9,839.41	\$ 6,137.48
635	Water Testing		\$ 461.14
641	Rents		
650	Transportation Expenses	\$ 2,239.43	\$ 2,303.40
657	Insurance – General Liability	\$ 6,141.61	\$ 5,488.67
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	0	
403	Depreciation Expense	\$ 13,493.34	
408	Taxes Other Than Income		
408.11	Property Taxes		
409	Income Tax		
	<b>TOTAL OPERATING EXPENSES</b>	\$ 133,624.67	\$ 288,920.35
	<b>OPERATING INCOME/(LOSS)</b>	\$ 866.46	\$ <163,371.13>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ 0	\$ 0
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		<7,570.92>
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$ 0	\$ <7,570.92>
	<b>NET INCOME/(LOSS)</b>	\$ 866.46	\$ <175,584.70>

Enchantment Water Utility Co  
Balance Sheet  
December 31, 2004

ASSETS

Current Assets		
Bank One Account	\$	6,701.06
Accounts Receivable		9,927.89
		<hr/>
Total Current Assets		16,628.95
Property and Equipment		
Fire Hydrants		4,844.04
Wells & Springs		96,969.49
Piping Project		114,173.00
Pumping Equipment		64,884.29
Acc. Depr. Wells & Springs		<33,215.03>
Acc. Depr. Water Project		<64,221.89>
Acc. Depr. Pumping Equip		<32,821.66>
Acc. Depr. Fire Hydrants		<538.24>
		<hr/>
Total Property and Equipment		150,074.00
Other Assets		
		<hr/>
Total Other Assets		0.00
		<hr/>
Total Assets	\$	<u>166,702.95</u>

LIABILITIES AND CAPITAL

Current Liabilities		
Accounts Payable	\$	2,452.66
Due To HOA		5,798.04
Sales Tax Payable		623.95
		<hr/>
Total Current Liabilities		8,874.65
Long-Term Liabilities		
Bank One Well Loan		140,332.28
		<hr/>
Total Long-Term Liabilities		140,332.28
		<hr/>
Total Liabilities		149,206.93
Capital		
Homeowner's Investment		42,860.04
Retained Income		150,220.68
Net Income		<175,584.70>
		<hr/>
Total Capital		17,496.02
		<hr/>
Total Liabilities & Capital	\$	<u>166,702.95</u>

Enchantment Water Utility Co  
Income Statement  
For the Twelve Months Ending December 31, 2004

	Current Month Actual	Current Month Budget	Year to Date Actual	Year to Date Budget
<b>Revenues</b>				
Metered Sales- Residential	6,359.52	7,000.00	6,359.52	7,000.00
Metered Sales- Commercial	127,742.12	125,000.00	127,742.12	125,000.00
Interest Income	0.00	0.00	0.00	0.00
Miscellaneous Income	1,447.58	0.00	1,447.58	0.00
HOA Reserve/Well Overruns	0.00	0.00	0.00	0.00
<b>Total Revenues</b>	<b>135,549.22</b>	<b>132,000.00</b>	<b>135,549.22</b>	<b>132,000.00</b>
<b>Gross Profit</b>	<b>135,549.22</b>	<b>132,000.00</b>	<b>135,549.22</b>	<b>132,000.00</b>
<b>Expenses</b>				
Utility Company Labor	11,728.53	10,000.00	11,728.53	10,000.00
Accounting	5,121.60	5,120.00	5,121.60	5,120.00
Depreciation	14,696.52	15,000.00	14,696.52	15,000.00
Purchased Power	1,090.85	600.00	1,090.85	600.00
Monitoring Assistance Program	461.14	0.00	461.14	0.00
Materials & Supplies	1,586.94	3,200.00	1,586.94	3,200.00
Contractual Services	6,137.48	6,000.00	6,137.48	6,000.00
Dues	60.00	0.00	60.00	0.00
Transportation	1,800.00	1,800.00	1,800.00	1,800.00
Miscellaneous Expense	116.16	0.00	116.16	0.00
Audit	2,638.08	2,000.00	2,638.08	2,000.00
Insurance	5,488.67	6,300.00	5,488.67	6,300.00
Office	1,587.20	700.00	1,587.20	700.00
Postage	127.32	100.00	127.32	100.00
Interest	7,570.92	0.00	7,570.92	0.00
Management	6,000.00	6,000.00	6,000.00	6,000.00
Maintenance Tot A	0.00	0.00	0.00	0.00
Maintenance Tot C	0.00	0.00	0.00	0.00
Grounds Labor	23,125.70	52,624.00	23,125.70	52,624.00
Grounds Project	2,944.42	3,000.00	2,944.42	3,000.00
Landscaping	547.92	720.00	547.92	720.00
Small Tools	195.90	180.00	195.90	180.00
Trees/Shrubs	2,555.82	1,200.00	2,555.82	1,200.00
Uniforms	510.80	360.00	510.80	360.00
Vehicles Parts	503.40	720.00	503.40	720.00
Security	40,504.95	45,800.00	40,504.95	45,800.00
Grounds Supplies	204.12	240.00	204.12	240.00
Waste Removal	429.79	720.00	429.79	720.00
Write off dry well	173,399.69	0.00	173,399.69	0.00

For Management Purposes Only

Enchantment Water Utility Co  
Income Statement  
For the Twelve Months Ending December 31, 2004

	Current Month Actual	Current Month Budget	Year to Date Actual	Year to Date Budget
Total Expenses	311,133.92	162,384.00	311,133.92	162,384.00
Net Income	\$ <175,584.70>	\$ <30,384.00>	\$ <175,584.70>	\$ <30,384.00>

For Management Purposes Only

COMPANY NAME BCE HOA WATER UTILITY CO.

**SUPPLEMENTAL FINANCIAL DATA**

**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	1/22/01			
Source of Loan	BANK ONE			
ACC Decision No.				
Reason for Loan ?	NEWELL			
Dollar Amount Issued	\$ 152,479. <sup>00</sup>	\$	\$	\$
Amount Outstanding	\$ 140,322.28	\$	\$	\$
Date of Maturity	2/1/2001			
Interest Rate	6.5 %	%	%	%
Current Year Interest	\$ 7,570.92	\$	\$	\$
Current Year Principle	\$ 12,146.72	\$	\$	\$

Meter Deposit Balance at Test Year End ? \$ \_\_\_\_\_

Meter Deposits Refunded During the Test Year ? \$ \_\_\_\_\_

COMPANY NAME BCE HOA WATER UTILITY CO.

## WATER COMPANY PLANT DESCRIPTION

### WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-600175	10	50	850'	5"	1 1/2"	84
55-545341	30	69	1060'	8"	2"	95
BACK-UP	30	69	N/A			

\* Arizona Department of Water Resources Identification Number

### OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5HP	1	14	1

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
100,000 GALLONS	2	N/A	

COMPANY NAME BCEHDA WATER UTILITY CO.

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2	PVC	575
3	PVC	1,635
4		
5		
6	PVC	7,966
8	PVC	1,816
10		
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	75
3/4	
1	6
1 1/2	16
2	1
Comp. 3	2
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

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STRUCTURES:

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OTHER:

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COMPANY NAME: BCEHOA WATER UTILITY CO.

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2004**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	100	1,449,050	1,449,050
FEBRUARY	100	1,259,540	1,259,540
MARCH	100	1,615,310	1,615,310
APRIL	100	1,623,550	1,623,550
MAY	101	1,851,360	1,851,360
JUNE	101	1,808,100	1,808,100
JULY	101	1,975,520	1,975,520
AUGUST	101	1,727,850	1,727,850
SEPTEMBER	101	1,742,120	1,742,120
OCTOBER	101	1,772,080	1,772,080
NOVEMBER	101	1,429,970	1,429,970
DECEMBER	101	1,273,420	1,273,420
TOTAL		NA	19,537,870

Is the Water Utility located in an ADWR Active Management Area (AMA)?

( ) Yes                      (X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

( ) Yes                      (X) No

If yes, provide the GPCPD amount: \_\_\_\_\_

What is the level of arsenic for each well on your system. 5.0 mg/l  
(If more than one well, please list each separately.)

*Note: If you are filing for more than one system, please provide separate data sheets for each system.*



COMPANY NAME BCEHOA WATER UTILITY CO. YEAR ENDING 12/31/2004

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2004 was: \$ 0

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. All property Tax is payed by the BOYNTON CANYON HOA because the Water Co. Is Not It's own Entity The Association holds a Certificate of public Convenience and Necessity from the Arizona Corporation Commission. Authorizing it to operate a Water Utility Co.

COMPANY NAME BCE HOA WATER UTILITY CO. YEAR ENDING 12/31/2004

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported  
Estimated or Actual Federal Tax Liability

N/A

State Taxable Income Reported  
Estimated or Actual State Tax Liability

N/A

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances  
Amount of Gross-Up Tax Collected  
Total Grossed-Up Contributions/Advances

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Susanne Knight  
SIGNATURE

3-30-05  
DATE

SUSANNE KNIGHT  
PRINTED NAME

MANAGER  
TITLE

# RECEIVED

APR 04 2005

## VERIFICATION AND SWORN STATEMENT Intrastate Revenues Only

AZ Corporation Commission  
Director Of Utilities

### VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>YAVAPAI COUNTY</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>SUSANNE KNIGHT / MANAGER</u>
COMPANY NAME	<u>BLE HOA WATER UTILITY/CO.</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2004</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

### SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 135,549.22

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 8,567.70  
IN SALES TAXES BILLED, OR COLLECTED)

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

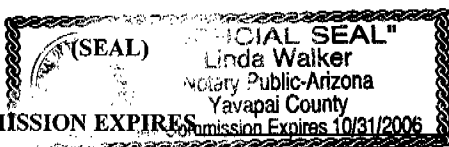
Susanne Knight  
SIGNATURE OF OWNER OR OFFICIAL  
928-204-6264  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 30th DAY OF

COUNTY NAME	<u>Yavapai</u>
MONTH	<u>March</u> , 20 <u>05</u>



Linda Walker  
SIGNATURE OF NOTARY PUBLIC

# RECEIVED

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

APR 04 2005

AZ Corporation Commission  
Director Of Utilities

**VERIFICATION**

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>YAVAPAI</u>	
NAME (OWNER OR OFFICIAL) <u>SUSANNE KNIGHT</u>	TITLE <u>MANAGER</u>
COMPANY NAME <u>BCE HOA WATER UTILITY CO.</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2004</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2004 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 6,770.20

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 410.68  
IN SALES TAXES BILLED, OR COLLECTED)

**\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.**

Susanne Knight  
SIGNATURE OF OWNER OR OFFICIAL

928-284-10264  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

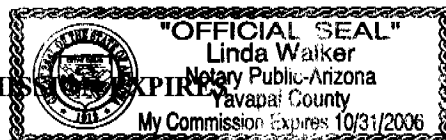
30th

DAY OF

NOTARY PUBLIC NAME <u>LINDA WALKER</u>	
COUNTY NAME <u>Yavapai</u>	
MONTH <u>March</u>	<u>2005</u>

(SEAL)

MY COMMISSION



X

Linda Walker  
SIGNATURE OF NOTARY PUBLIC

## **FINANCIAL INFORMATION**

Attach to this annual report a copy of the companies' year-end (Calendar Year 2004) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**